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FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON, D.C. 20554

Room 222

CC Docket No. 92-77

AUG 19 1992

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

IN REPLY REFER TO:

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Stop Code 1600A2

IC-92-08802

9202288

Honorable Lloyd M. Bentsen
United States Senator
961 Federal Building
Austin, Texas 78701

Dear Senator Bentsen:

Chairman Alfred C. Sikes has asked that I respond to your letter on behalf of Bern E. Case, A.A.E., Director of Aviation at Lubbock International Airport in Lubbock, Texas, regarding the Commission's billed party preference proposal. Billed party preference is the term used to describe a proposal to change the way local telephone companies handle certain operator service calls.

Currently, if a caller places a "0+" operator services call (that is, the caller dials "0" and then a long-distance telephone number, without first dialing a carrier access code, such as 10-ATT), the call is carried by the operator services provider presubscribed to the telephone line from which the call originated. The presubscribed carrier for public payphones is chosen by the payphone owner or the owner of the premises on which the payphone is located. Operator service providers compete for payphone presubscription contracts by offering significant commissions to premises owners on long-distance traffic and then including those commission costs in their own rates to consumers.

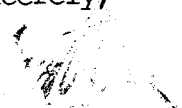
In April 1992, the Commission adopted a Notice of Proposed Rulemaking to consider whether the current presubscription system should be replaced by a billed party preference methodology. Under billed party preference, all 0+ calls would be handled automatically by the carrier predesignated by the party paying for the call. For example, a credit card call would be handled by the carrier that issued the card. A collect call would be handled by the carrier presubscribed to the called line.

Because billed party preference would replace the current presubscription system for operator services calls, operator service providers would no longer be likely to pay significant commissions to premises owners for presubscription contracts. In addition, billed party preference could make operator services much more user friendly for the calling public. In particular, it would allow callers to place their operator services calls without dialing access codes, while ensuring that the party paying for each call -- as opposed to the payphone or premises owner -- would determine the operator service provider to carry it.

Because of these and other benefits that potentially could be offered by billed party preference, the Commission tentatively concluded in its Notice of Proposed Rulemaking that billed party preference is, in concept, in the public interest. At the same time, the Commission sought detailed information and comment on a comprehensive range of issues relating to this proposal.

The Commission has thus far received extensive comment on the billed party preference proposal. Let me assure you that the Commission will carefully consider all of the ramifications of this important proposal before taking final action on it. We will incorporate your letter, including the letter from your constituent, in the record of this proceeding so that it may be accorded proper consideration by Commission staff.

Sincerely,



Cheryl A. Tritt
Chief, Common Carrier Bureau

LLOYD BENTSEN
TEXAS

COMMITTEES:
FINANCE
COMMERCE, SCIENCE, AND TRANSPORTATION
JOINT ECONOMIC
JOINT COMMITTEE ON TAXATION

United States Senate

WASHINGTON, DC 20510-4301

August 4, 1992

CCB

92-77

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Mr. Alfred Sikes
Chairman
Federal Communications Commission
1919 M Street
Washington, D.C. 20554

CLERK OF THE SENATE

92008802

Dear Chairman Sikes:

I recently received the enclosed constituent inquiry, and I would very much appreciate your providing me with any pertinent information you might have regarding the matter.

Your kind assistance is greatly appreciated.

Sincerely,



Lloyd Bentsen

Enclosure

PLEASE REPLY TO:

961 Federal Building
Austin, Texas 78701
ATTN: Shane Linkous

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AUG 12 9 20 AM '92
OFFICE OF THE CLERK
U.S. SENATE

A I R P O R T

June 23, 1992

The Honorable Lloyd Bentsen
United States Senate
703 Hart Senate Building
Washington, DC 20510

Re: Docket 92-77 FCC Ruling

Dear Honorable Bentsen:

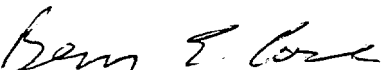
An important issue is being currently reviewed by the Federal Communications Commission in regard to the tentative decision to permit "Billed Party Preference". This issue involves the standard practice of allowing user fees to pay for the service used.

Airports exist for the benefit of those that use them. In order to provide this benefit Airports must be allowed to derive revenue from the users of its facilities.

This proposed rule change allows the user to bypass the user fee system that is working so well to provide services demanded by the traveling public. The end result of such practice will be not only a reduction in an important revenue source for airports but also ultimately a significant reduction in the telephone services available at the nations airports.

This ruling must not be implemented or if implemented airports must be exempted in order for telecommunications services to continue to grow on a normal way at airport terminals. Thank you for your assistance in voicing our opposition to this proposed ruling.

Sincerely,


Bern E. Case, A.A.E.
Director of Aviation

BEC/mg

